



RETIREMENT KIT

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM
SFN 53723 (Rev. 07-03)

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This publication contains information, forms, and instructions necessary for a terminating employee to apply for **retirement benefits and insurance administered by NDPERS** under either the Defined Benefit or the Defined Contribution Plans. This publication is to be completed by BOTH the employer and employee.

The information in this publication is subject to changes made by the North Dakota legislature, by the Board of the North Dakota Public Employees Retirement System (NDPERS) , and its agents.

NAVIGATING THE RETIREMENT KIT



EMPLOYER Responsibility

The [Notice of Status or Employment Change SFN 53611](#) form **MUST** be completed by your employer and **MUST** accompany your **FINISHED** retirement kit.

Your retirement kit will not be PROCESSED without this form.

RETIREEE Responsibility

Before completing any forms, read all instructions, as well as the terms, and conditions on the back of each form. Read the “[Group Retirement Plan](#)” sheet carefully before proceeding.

1. GROUP RETIREMENT PLAN

The retirement benefits described in this section **ONLY** pertain to members of NDPERS Defined Benefit and Defined Contribution Plans.

- ✓ If you have not already done so, complete the NDPERS [Request for Benefit Information SFN 53603](#) form to request a retirement benefit estimate.
- ✓ You **MUST** complete the [Application for Retirement Benefits SFN 2562](#) and send it to NDPERS within 30 – 60 days prior to retirement. In accordance with laws governing processing retirement benefits, NDPERS must receive an “Application for Retirement Benefits” and appropriate legal documentation at least 31 days before retirement or before the distribution of the first retirement check.
If documents are filed too late, the payment will be DELAYED.
- ✓ Complete and return the [Designation of Beneficiary for the Group Retirement Plan SFN 2560](#) form to refresh/update your designation of beneficiary(ies) for the group retirement plan.
- ✓ It is NDPERS policy that all annuity payments are required to be direct deposited. Complete the [Authorization for Direct Deposit for Annuity Payment SFN 51506](#) form.
Direct Deposit By [Automated Clearing House \(ACH\)](#) information sheet
- ✓ Federal tax **MUST** be deducted if a completed W-4P is not returned (married/3 allowances). North Dakota State income tax is 21% of your Federal withholding. Complete form [W-4P \(Substitute\) Tax Withholding Certificate SFN 51506](#). NDPERS uses monthly payroll period from the [Income Tax withholding Tables](#) (page 16-19).

2. GROUP HEALTH INSURANCE

Read the “[Dakota Plan, Dakota Retiree Plan & Dakota Health Plan Features](#)” sheets carefully before proceeding.

- ✓ Complete the [Retiree Continuation of Group Health Insurance Coverage \(COBRA\) SFN 53799](#) if you are continuing at your **CURRENT** level of coverage **OR** if you are waiving continuation of your current coverage.
- ✓ Complete the [Retiree Continuation of Group Health Insurance Coverage \(COBRA\) SFN 53799](#) form **AND** the [Retiree Group Health Insurance Application SFN 16277](#) form if you are continuing BUT at a **REDUCED** level of coverage.
- ✓ Complete the [Retiree Group Health Insurance Application SFN 16277](#) form to apply for New Coverage **OR** to waive New Coverage **OR** if you are continuing, **but** you and/or your spouse/dependent is Medicare eligible.

3. GROUP LIFE INSURANCE

The insurance benefits described in this section **ONLY** pertain to members of NDPERS. Read the "[Life Insurance Continuation](#)" sheet carefully before proceeding.

- ✓ Complete the [Retiree Life Insurance Application SFN 53622](#) if you are continuing **OR** electing NOT to continue the basic life, employee supplemental life, dependent life, and spouse supplemental life at your **CURRENT** level of coverage **OR** if you are continuing the basic life, employee supplemental life, dependent life, and spouse supplemental life at a **REDUCED** level of coverage, **AND** to refresh/update your designation of beneficiary(ies).

[Life Insurance Rate Chart](#)

- ✓ Complete the [ReliaStar Life Conversion Information Request](#) form if you wish to obtain cost information to convert your supplemental & dependent term life insurance to an individual policy with the life insurance carrier.

4. GROUP DENTAL INSURANCE

Read the "[Retiree Dental Coverage](#)" sheet carefully before proceeding.

- ✓ Complete the [Retiree Continuation of Group Dental Insurance Coverage \(COBRA\) SFN 53800](#) form if you are continuing at your **CURRENT** level of coverage **OR** if you are waiving continuation of your current coverage.
- ✓ Complete the [Retiree Continuation of Group Dental Insurance Coverage \(COBRA\) SFN 53800](#) form **AND** the [Retiree Dental Insurance Enrollment/Change SFN 53504](#) if you are continuing, BUT at a **REDUCED** level of coverage.
- ✓ Complete the [Retiree Dental Insurance Enrollment/Change SFN 53504](#) form to apply for New Coverage **OR** waive New Coverage.

5. GROUP VISION INSURANCE

Read the "[Retiree Vision Coverage](#)" sheet carefully before proceeding

- ✓ Complete the [Retiree Continuation of Group Vision Insurance Coverage \(COBRA\) SFN 53801](#) if you are continuing at your **CURRENT** level of coverage **OR** if you are waiving continuation of your current coverage.

- ✓ Complete the [Retiree Continuation of Group Vision Insurance Coverage \(COBRA\) SFN 53801](#) if you are continuing, BUT at a **REDUCED** level of coverage.
- ✓ Complete the [Retiree Vision Insurance Enrollment/Change SFN 53505](#) if you are applying for New Coverage **OR** if you are waiving New Coverage.

[COBRA Notification Letter](#)

Federal COBRA Law: The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires that employers provide employees and their dependents who lose their eligibility to participate in a [Group Health](#), [Group Dental](#) and [Group Vision](#) insurance plan an opportunity to continue comparable coverage at their own expense.

6. If your group insurance(s) is/are not deducted from an annuity payment, it is NDPERS policy that your premium(s) be deducted from a Bank Account. Complete the [Automatic Premium Deduction SFN 50134](#) form.

7. GROUP LONG TERM CARE PLAN

Read the “[Long-Term Care Coverage](#)” sheet carefully before proceeding

- ✓ Read the [Retiree Long Term Care Coverage sheet](#) to obtain information for New Coverage.
- ✓ Complete the [UNUM Election for Portable Coverage](#) if you are continuing coverage. Complete within 31 days from last day of employment.

8. FLEXIBLE BENEFITS

The insurance benefits described in this section **ONLY** pertain to members of NDPERS
Read the “[FlexComp Notice of Termination](#)” sheet carefully before proceeding

- ✓ Complete the [Continuation of Coverage in a Medical Spending Account \(COBRA\) SFN 53512](#) form if you participate in the State FlexComp Program.

[COBRA Notification Letter](#)

Federal COBRA Law: The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) allows you the opportunity to extend your participation in the NDPERS Medical Spending Account to the end of the current plan year.

9. DEFERRED COMPENSATION PLAN

Read the “[The Deferred Compensation Plan Termination Notice](#)” sheet carefully before proceeding.

10. EMPLOYEE ASSISTANCES PROGRAM cancels automatically.

RESOURCES

[Quick Reference Rate Chart](#),

To estimate your take-home pay use the [Estimated Pay Work Sheet](#) (For your use only)

CHECKLIST



	FORM NAME	SFN #
<input type="checkbox"/>	NOTICE OF STATUS OR EMPLOYMENT CHANGE	53611
<input type="checkbox"/>	NDPERS REQUEST FOR BENEFIT INFORMATION	53603
<input type="checkbox"/>	APPLICATION FOR RETIREMENT BENEFITS	2562
<input type="checkbox"/>	LEGIBLE PHOTOCOPIES OF BIRTH CERTIFICATE, SPOUSE'S BIRTH CERTIFICATE & MARRIAGE CERTIFICATE	
<input type="checkbox"/>	DESIGNATION OF BENEFICIARY FOR THE GROUP RETIREMENT PLAN	2560
<input type="checkbox"/>	AUTHORIZATION FOR DIRECT DEPOSIT FOR ANNUITY PAYMENT	18379
<input type="checkbox"/>	FORM W-4P (SUBSTITUTE) TAX WITHHOLDING CERTIFICATE	51506
<input type="checkbox"/>	CONTINUATION OF GROUP HEALTH INSURANCE COVERAGE (COBRA)	53799
<input type="checkbox"/>	RETIREE GROUP HEALTH INSURANCE APPLICATION	16277
<input type="checkbox"/>	RETIREE LIFE INSURANCE APPLICATION	53622
<input type="checkbox"/>	RELIASTAR CONVERSION INFORMATION REQUEST FORM	
<input type="checkbox"/>	RETIREE CONTINUATION OF GROUP DENTAL COVERAGE (COBRA)	53800
<input type="checkbox"/>	RETIREE DENTAL INSURANCE ENROLLMENT/CHANGE	53504
<input type="checkbox"/>	RETIREE CONTINUATION OF GROUP VISION INSURANCE COVERAGE (COBRA)	53801
<input type="checkbox"/>	RETIREE VISION INSURANCE ENROLLMENT/CHANGE	53505
<input type="checkbox"/>	AUTHORIZATION FOR AUTOMATIC PREMIUM DEDUCTION	50134
<input type="checkbox"/>	UNUM ELECTION FOR PORTABLE COVERAGE	
<input type="checkbox"/>	CONTINUATION OF COVERAGE IN MEDICAL SPENDING ACCOUNT (COBRA)	53512

GROUP RETIREMENT PLAN



Effective July 1, 2003 – June 30, 2005

To be eligible for benefits listed on this sheet, you must terminate employment. The Administrative Code Chapter 71-02-01-01(24) states: "Termination of employment" means a severance of employment by not being on the payroll of a covered employer for a minimum of one month. Approved leave of absence does not constitute termination of employment.

DEFINED BENEFIT PLAN:

ELIGIBILITY

You are eligible to receive NDPERS retirement benefits upon termination of employment if:

- ✓ you are age 55 or older and have 3 years of eligible service credit; **or**
- ✓ you meet the Rule of 85; **or**
- ✓ you have attained age 65 while actively employed with a NDPERS participating agency.

Eligible service credit may include dual service.

See the [NDPERS Group Retirement Plan](#) handbook for specific information on early retirement reductions, the Rule of 85, eligible service credit, and dual service.

DEFERRED VESTED BENEFIT

If you have at least 36 months of service when you terminate employment you can apply for the Deferred Vested Benefit. Under this option you leave your account balance with NDPERS until you either take it out as a refund/rollover or you begin receiving a monthly benefit. You must complete a "[NDPERS Deferred Retirement Kit SFN 53724](#)" to elect this option.

APPLICATION

You must complete a "[NDPERS Retirement Kit SFN 53723](#)", and submit a copy of your birth certificate, and if married, your spouse's birth certificate, and marriage certificate in order to receive your benefits.

You may apply by contacting your agency's payroll office approximately 60 days before your last date of service. Your employer **MUST** complete the [NOTICE OF STATUS OR EMPLOYMENT CHANGE SFN 53611](#). This form **MUST** be submitted with your completed [RETIREMENT KIT SFN 53723](#), and **MUST** be filed with NDPERS 30 days prior to actually leaving employment. Your retirement effective date will be the first of the month following your last date of service or last date of pay, whichever is later. You can expect to receive your first benefit check the month following your effective date, **PROVIDING THAT ALL THE REQUIRED INFORMATION HAS BEEN RECEIVED AND IS COMPLETE.**

BENEFIT AMOUNT

How much will you receive? Your NDPERS retirement benefit amount is based upon the following calculation:

Final Average Salary X Benefit Multiplier X Years of Service Credit

FINAL AVERAGE SALARY is the average of your highest salaries in 36 of the last 120 months you worked.

BENEFIT MULTIPLIER is the rate established by the legislature at which you earn benefits and is currently 2.00%.

Eligible **SERVICE CREDIT** is the amount of service you have accumulated under NDPERS for retirement purposes.

RETIREMENT OPTIONS

There are six different retirement options available to choose from when you retire. Keep in mind that each payment option will pay YOU the member for as long as you live. You cannot change your retirement option once you have cashed your first retirement payment.

- **SINGLE LIFE OPTION:** This option provides the greatest benefit amount. There is no monthly income provision for your beneficiary. If you should die while receiving retirement benefits, your beneficiary will get a lump sum payment of the balance of your member account, if any balance remains.
- **50% JOINT & SURVIVOR OPTION:** This amount is actuarially reduced based upon your age and the age of your spouse. Upon your death, your spouse will receive 50% of your monthly benefit payment for his/her lifetime. If your spouse dies first, upon notice to NDPERS, your benefit will be adjusted back to the single life option amount. If this benefit option is selected, it will be necessary for you to submit a copy of your spouse's birth certificate and your marriage certificate with your retirement application.
- **100% JOINT & SURVIVOR OPTION:** This amount is actuarially reduced based upon your age and the age of your spouse. Upon your death, your spouse will receive 100% of your monthly benefit payment for his/her lifetime. If your spouse dies first, upon notice to NDPERS, your benefit will be adjusted back to the single life option amount. If this benefit option is selected, it will be necessary for you to submit a copy of your spouse's birth certificate and your marriage certificate with your retirement application.
- **FIVE (5) YEAR TERM CERTAIN:** This amount is reduced based upon actuarial factors. If you should die within the first five years of your retirement, your beneficiary will continue to receive monthly payments of the same amount until the end of the five year term. If you die after receiving the benefit for five years, there will be no further benefit payments made to your beneficiary.
- **TEN (10) YEAR TERM CERTAIN:** This amount is reduced based upon actuarial factors. If you should die within the first ten years of your retirement, your beneficiary will continue to receive monthly payments of the same amount until the end of the ten year term. If you die after receiving benefits for ten years, there will be no further benefit payments made to your beneficiary.
- **LEVEL SOCIAL SECURITY OPTION:** This option is only available to those who retire before age 62 or normal retirement age as set by the Social Security Administration. This option does not provide monthly income to your beneficiary.

This option coordinates with your Social Security benefits to provide a level income, both before you are eligible to draw Social Security benefits and after you begin receiving benefits from Social Security. Under this option, you may choose to begin receiving Social Security benefits at age 62 or your normal retirement age. Your NDPERS benefit will be reduced automatically at the age you selected to begin receiving Social Security benefits. If you select this retirement option, it will be necessary for you to submit a benefit estimate from Social Security that is less than 6 months old with your retirement application.

CONVERTING SICK LEAVE

At termination, you may purchase all or part of your sick leave for retirement service credit. One month of service credit may be converted for each 173.3 hours of unused sick leave.

The cost to purchase sick leave is determined by taking 9.12% of your Final Average Salary times the number of months being converted. The payment amount will be calculated by NDPERS, after your termination. Payment must be made within 60 days of your termination date, and must be made before you receive a retirement benefit payment. If you are to begin receiving your retirement benefit payment the month following your final employment date or pay date, the sick leave payment will be requested 15 days after the last date of service pay.

FEDERAL LIMITATIONS

Certain types of purchase payments may be subject to limitations established in the Internal Revenue Code Section 415(c). Current law may limit after-tax employee contributions into the retirement plan. NDPERS will notify you if federal limits apply to your purchase payment(s).

DEFINED CONTRIBUTION PLAN:

APPLICATION

You may apply by contacting your agency's payroll office approximately 60 days before your last date of service. Your employer **MUST** complete the [NOTICE OF STATUS OR EMPLOYMENT CHANGE SFN 53611](#). This form **MUST** be submitted with your completed NDPERS Retirement Kit and Fidelity Investments Distribution Kit, and **MUST** be filed with NDPERS 30 days prior to actually leaving employment.

Deferred Member Account Balance

When you terminate employment you can apply to defer your entire vested Account balance. Under this option you leave your Account balance with the Trustee Company until you either take it out as a lump sum or periodic distribution. If you choose this option you and your employer must complete a **"NDPERS Deferred Retirement Kit SFN 53724"** to elect this option.

Lump sum distributions

If you elect this option, your entire vested Account balance will be paid to you as a lump-sum distribution. You may elect to roll this lump-sum distribution into another eligible employer plan. If you choose this option you will need to complete a **"NDPERS Refund/Rollover Kit SFN 53725"** and a **"Fidelity Investments Distribution Kit"**.

Periodic distributions

If you elect this option, your vested Account balance will be paid to you in monthly, quarterly, semiannual, or annual periodic payments until your account is exhausted. If you choose this option you will need to complete a **"NDPERS Retirement Kit SFN 53723"** and a **"Fidelity Investments Distribution Kit"**.

Distributions will be subject to the following rules:

1.) Cash Distribution

Any taxable distribution paid by the Trustee Company directly to you will be subject to mandatory Federal income tax withholding of 20% of the requested distribution. You cannot elect out of this tax withholding but you can avoid it by electing a direct rollover distribution. This withholding is not a penalty but rather a prepayment of your Federal income taxes, although there may also be an IRS penalty assessed in

certain circumstances. If you are under age 59 1/2 at the time the distribution occurs, you will be subject to a 10% penalty at the time you file your income tax return for the year in which you took the distribution.

2.) Direct Rollover Distribution

As an alternative to a cash distribution, you may request that your entire distribution be rolled directly into an IRA another employer's eligible plan (if it accepts rollover contributions), or to a 403(a) annuity. Federal income taxes will not be withheld on any direct rollover distribution.

a.) Rollover to an IRA – You must complete a Qualified Plan Distribution Form and indicate the name and address of the custodian or trustee, and account number for your IRA. After authorizing your distribution, the Plan Administrator will forward the form to the Trustee Company. A check will be issued by the Trustee Company payable to the IRA custodian or trustee for your benefit. The check will contain the notation 'Direct Rollover' and it will be mailed directly to you. You will be responsible for forwarding it on to the custodian or trustee. You must provide the NDPERS with complete information to facilitate your direct rollover distribution.

b.) Rollover to Another Eligible Employer Plan –

You should check with your new employer to determine if its plan will accept rollover contributions. If allowed, then you must complete a Qualified Plan Distribution Form and indicate the name, address and plan number of your new employer's qualified plan. After authorizing your distribution, the Plan Administrator will forward the form to the Trustee. A check will be issued by the Trustee Company payable to the trustee of your new eligible employer plan. The check will contain the notation 'Direct Rollover' and it will be mailed directly to you. You will be responsible for forwarding it on to the new trustee. You must provide NDPERS with complete information to facilitate your direct rollover distribution.

c.) Rollover to a 403(a) Annuity – You must complete the appropriate documentation and indicate the name and address of the trustee and 403(a) account number. Your distribution will be forwarded to the Trustee Company for processing and they will issue a check payable to the 403(a) trustee or custodian for your benefit. The check will be mailed directly to you and will contain the notation "Direct Rollover" and you will be responsible for forwarding it to the new trustee. You must provide NDPERS with complete information to facilitate your direct rollover distribution.

3.) Combination Cash Distribution and Direct Rollover Distribution

You may request that part of your distribution be paid directly to you and the balance to be directly rolled into an IRA, your eligible employer Plan, or to a 403(a) annuity. Any cash distribution you receive will be subject to the Federal income tax withholding rules referred to in (1). Any direct rollover distribution will be made in accordance with (2).

You will pay income tax on the amount of any taxable distribution you receive from the Plan unless it is rolled into an IRA, your new eligible employer Plan, or to a 403(a) annuity. A 10% IRS premature distribution penalty tax may also apply to your taxable distribution unless it is rolled into an IRA or another eligible plan. The 20% Federal income tax withheld under this section may not cover your entire income tax liability.

If your vested account balance is less than \$5,000, the entire amount will be **automatically distributed** to you unless you request in writing that the vested account balance remain in the Plan within 120 days after termination.

DEFINED BENEFIT & DEFINED CONTRIBUTION:

RETIREE HEALTH INSURANCE

The [NDPERS DAKOTA PLAN](#) & [DAKOTA RETIREE PLAN](#) Health Insurance is available to you even if your employer did not participate in the Dakota Plan prior to your retirement. To apply for health insurance coverage when retiring, complete a [Group Health Insurance Application SFN 16277](#).

You may enroll in the Dakota Plan or Dakota Retiree Plan without evidence of insurability if you do so within 31 days of retirement; or during the eligible qualifying events. Please refer to the [Dakota Plan & Dakota Retiree Plan](#) sheet for qualifying events and premium information. Anyone age 65 or older **MUST** have both Part A and B of Medicare to be eligible to enroll in the Dakota Retiree Plan.

RETIREE HEALTH CREDIT

The Retiree Health Insurance Credit Program offers you a credit which reduces your health insurance premiums upon retirement. This credit can only be used if you choose to participate in the NDPERS Dakota Plan or Dakota Retiree Plan and are drawing a monthly NDPERS or NDHPRS benefit payment. ***Defined Contribution Plan members must be at least 55 years old or meet the Rule of 85 and receiving a periodic distribution from the trustee company. The retiree health credit is only applied toward health insurance premiums as long as you are receiving a periodic distribution.***

You receive \$4.50 for every year of retirement service credit, subject to REDUCTION FOR EARLY RETIREMENT. Your retiree health insurance credit will not be reduced if you are age 65, meet the rule of 85 or are receiving NDPERS Disability retirement benefits. Your credit will be applied automatically when you retire and participate in the Dakota Plan or Dakota Retiree Plan.

Under the **Standard Option**, upon your death, your retiree health insurance credit will be transferred to your surviving spouse if your surviving spouse receives a monthly payment from NDPERS and participates in the Dakota Plan. He or she can use the health insurance credit for as long as the benefit payments continue.

Under the **Alternate Health Credit Option**, if you are married and choose a Single Life, Five or Ten Year Term Certain, or Level Social Security retirement option, you now have the opportunity to elect an alternate form of retiree health insurance credit. You may now choose an actuarially reduced 50% or 100% Joint & Survivor retiree health credit option that applies only to the health credit portion of your retirement benefits.

The alternate option is actuarially reduced based upon your age and the age of your spouse. If you elect an alternate health credit option, upon your death, your surviving spouse will receive a health insurance credit amount, if covered by the Dakota Plan or Dakota Retiree Plan, for the spouse's lifetime.

HEALTH PREMIUM PAYMENT

DEFINED BENEFIT - If your benefit payment is greater than the balance of insurance premium due, the premium will be deducted from your benefit payment. If the premium is greater than your pension amount, you may be billed direct, or you may have your premiums automatically deducted from your bank account by completing an [Automatic Premium Deduction SFN 50134](#).

DEFINED CONTRIBUTION - You may have your premiums automatically deducted from your bank account by completing an [Automatic Premium Deduction SFN 50134](#).

TAX WITHHOLDING

Whether you should have taxes withheld depends upon your financial situation. You have the option of having federal and North Dakota state income taxes withheld from your monthly benefit payment. At the time of your retirement, NDPERS will have you complete a [W-4P withholding form SFN 51506](#). You may

elect not to have income tax withheld from your pension payment by using the same form. You may change your tax withholding election at any time, and as often as you wish.

Questions about the amount of taxes to withhold or the need for tax deduction should be directed to a professional tax consultant.

If you do not have federal income tax withheld from your benefit payment, you cannot have ND state income tax withheld. You can choose a specific amount for federal withholding, but the ND state tax amount to be deducted is not flexible and will be 21% of federal tax being withheld, if elected.

DEFINED BENEFIT PLAN: In January each year, NDPERS will send you a 1099-R form showing the total annuity paid, the taxable and non-taxable amount and the total deductions for federal and North Dakota state income tax. The 1099-R form is to be used in filing your annual income tax return.

DEFINED CONTRIBUTION PLAN: In January each year, the Trustee Company will send you a 1099-R form showing the total annuity paid, the taxable and non-taxable amount and the total deductions for federal and North Dakota state income tax. The 1099-R form is to be used in filing your annual income tax return.

DIRECT DEPOSIT

DEFINED BENEFIT-After receiving your first check, you may have your monthly payment sent directly to your checking or savings account through Direct Deposit. You and your bank must complete a [NDPERS Authorization for Direct Deposit SFN 18379](#), 30 days before the date of deposit. To change banks, simply complete a new direct deposit form with the new financial institution. NDPERS will not accept alternate Direct Deposit forms. Deposits are electronically sent for deposit the first working day of each month. You will receive a QUARTERLY statement of the deposits made.

DEFINED CONTRIBUTION-Authorization for Direct Deposit, as well as terms and conditions, is in the “**Fidelity Investments Distribution Kit**”

RETURN TO SERVICE AFTER RETIREMENT

If you retire and then return to service with a participating NDPERS employer, you must terminate employment and be off covered payroll a minimum of 31 days and your hours of employment must be restricted if you wish to continue receiving your pension payment. Your service, if permanent employment, must be limited to less than 20 hours per week if employed 20 weeks or more months per year. You may work more than 20 hours per week if employed less than 20 weeks per year. If employed more than 20 weeks per year or working more than 19 ½ hours per week with a participating NDPERS employer, upon returning to service your benefit payment will be suspended until you terminate employment.

DIRECT DEPOSIT BY AUTOMATED CLEARING HOUSE

(ACH)



ACH Direct Deposit service for the convenience of PERS benefit recipients

It is NDPERS' Board's policy that all annuity payments are required to be direct deposited. This method of transferring funds is safe, secure and used nationwide. You do not have to change your current bank relationship to take advantage of this service. It is available through all banks, credit unions, savings and loans facilities and most other financial institutions.

ADVANTAGES TO DIRECT DEPOSIT:

- * The money will be there on time each month.
- * Your worries about mail delays or stolen checks are over.
- * You'll avoid waiting in long bank lines to cash or deposit checks.
- * Your money will be deposited quicker – the first business day of each month, which allows you to access money more quickly than before.

To begin Direct Deposit, simply complete an [Authorization for Direct Deposit for Annuity Payments SFN 18379](#)

- ✓ You must complete and sign the "Annuitant/Payee" part of the form.
- ✓ Your bank must complete the "Financial Institution" part of the form.

Return the form to the PERS office by the 14th of any month. Your Direct Deposit of PERS benefit payments will begin the first of the following month, unless an alternate effective date is requested. **(Your FIRST benefit payment must be mailed to your home address).**

To change financial institutions or change **ANY** account information, just complete an "[Authorization for Direct Deposit for Annuity Payments SFN 18379](#)".

Every three months NDPERS will send you a "quarterly statement of deductions". This statement gives you a record of all monthly deductions made from your benefit payment before deposit. It also provides convenient year-to-date totals of all deductions and benefit payments for your records.

Direct Deposit is safe, convenient and easy. Benefit payments are deposited electronically into YOUR bank account.

There are no service fees charged by PERS for this service. It's free! However, you may have to check with your bank for any possible fees.

SINGLE Persons – Monthly Payroll Period

If the wages are —		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$0	\$230	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
230	240	1	0	0	0	0	0	0	0	0	0	0
240	250	2	0	0	0	0	0	0	0	0	0	0
250	260	3	0	0	0	0	0	0	0	0	0	0
260	270	4	0	0	0	0	0	0	0	0	0	0
270	280	5	0	0	0	0	0	0	0	0	0	0
280	290	6	0	0	0	0	0	0	0	0	0	0
290	300	7	0	0	0	0	0	0	0	0	0	0
300	320	9	0	0	0	0	0	0	0	0	0	0
320	340	11	0	0	0	0	0	0	0	0	0	0
340	360	13	0	0	0	0	0	0	0	0	0	0
360	380	15	0	0	0	0	0	0	0	0	0	0
380	400	17	0	0	0	0	0	0	0	0	0	0
400	420	19	0	0	0	0	0	0	0	0	0	0
420	440	21	0	0	0	0	0	0	0	0	0	0
440	460	23	0	0	0	0	0	0	0	0	0	0
460	480	25	0	0	0	0	0	0	0	0	0	0
480	500	27	1	0	0	0	0	0	0	0	0	0
500	520	29	3	0	0	0	0	0	0	0	0	0
520	540	31	5	0	0	0	0	0	0	0	0	0
540	560	33	7	0	0	0	0	0	0	0	0	0
560	580	35	9	0	0	0	0	0	0	0	0	0
580	600	37	11	0	0	0	0	0	0	0	0	0
600	640	40	14	0	0	0	0	0	0	0	0	0
640	680	44	18	0	0	0	0	0	0	0	0	0
680	720	48	22	0	0	0	0	0	0	0	0	0
720	760	52	26	0	0	0	0	0	0	0	0	0
760	800	56	30	4	0	0	0	0	0	0	0	0
800	840	61	34	8	0	0	0	0	0	0	0	0
840	880	67	38	12	0	0	0	0	0	0	0	0
880	920	73	42	16	0	0	0	0	0	0	0	0
920	960	79	46	20	0	0	0	0	0	0	0	0
960	1,000	85	50	24	0	0	0	0	0	0	0	0
1,000	1,040	91	54	28	2	0	0	0	0	0	0	0
1,040	1,080	97	58	32	6	0	0	0	0	0	0	0
1,080	1,120	103	64	36	10	0	0	0	0	0	0	0
1,120	1,160	109	70	40	14	0	0	0	0	0	0	0
1,160	1,200	115	76	44	18	0	0	0	0	0	0	0
1,200	1,240	121	82	48	22	0	0	0	0	0	0	0
1,240	1,280	127	88	52	26	1	0	0	0	0	0	0
1,280	1,320	133	94	56	30	5	0	0	0	0	0	0
1,320	1,360	139	100	61	34	9	0	0	0	0	0	0
1,360	1,400	145	106	67	38	13	0	0	0	0	0	0
1,400	1,440	151	112	73	42	17	0	0	0	0	0	0
1,440	1,480	157	118	79	46	21	0	0	0	0	0	0
1,480	1,520	163	124	85	50	25	0	0	0	0	0	0
1,520	1,560	169	130	91	54	29	3	0	0	0	0	0
1,560	1,600	175	136	97	58	33	7	0	0	0	0	0
1,600	1,640	181	142	103	64	37	11	0	0	0	0	0
1,640	1,680	187	148	109	70	41	15	0	0	0	0	0
1,680	1,720	193	154	115	76	45	19	0	0	0	0	0
1,720	1,760	199	160	121	82	49	23	0	0	0	0	0
1,760	1,800	205	166	127	88	53	27	1	0	0	0	0
1,800	1,840	211	172	133	94	57	31	5	0	0	0	0
1,840	1,880	217	178	139	100	62	35	9	0	0	0	0
1,880	1,920	223	184	145	106	68	39	13	0	0	0	0
1,920	1,960	229	190	151	112	74	43	17	0	0	0	0
1,960	2,000	235	196	157	118	80	47	21	0	0	0	0
2,000	2,040	241	202	163	124	86	51	25	0	0	0	0
2,040	2,080	247	208	169	130	92	55	29	3	0	0	0
2,080	2,120	253	214	175	136	98	59	33	7	0	0	0
2,120	2,160	259	220	181	142	104	65	37	11	0	0	0
2,160	2,200	265	226	187	148	110	71	41	15	0	0	0
2,200	2,240	271	232	193	154	116	77	45	19	0	0	0
2,240	2,280	277	238	199	160	122	83	49	23	0	0	0
2,280	2,320	283	244	205	166	128	89	53	27	1	0	0
2,320	2,360	289	250	211	172	134	95	57	31	5	0	0
2,360	2,400	295	256	217	178	140	101	62	35	9	0	0
2,400	2,440	301	262	223	184	146	107	68	39	13	0	0
2,440	2,480	307	268	229	190	152	113	74	43	17	0	0

Single Persons – Monthly Payroll Period

If the wages are —		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$2,480	\$2,520	\$313	\$274	\$235	\$196	\$158	\$119	\$80	\$47	\$21	\$0	\$0
2,520	2,560	319	280	241	202	164	125	86	51	25	0	0
2,560	2,600	326	286	247	208	170	131	92	55	29	3	0
2,600	2,640	336	292	253	214	176	137	98	59	33	7	0
2,640	2,680	346	298	259	220	182	143	104	65	37	11	0
2,680	2,720	356	304	265	226	188	149	110	71	41	15	0
2,720	2,760	366	310	271	232	194	155	116	77	45	19	0
2,760	2,800	376	316	277	238	200	161	122	83	49	23	0
2,800	2,840	386	322	283	244	206	167	128	89	53	27	2
2,840	2,880	396	331	289	250	212	173	134	95	57	31	6
2,880	2,920	406	341	295	256	218	179	140	101	63	35	10
2,920	2,960	416	351	301	262	224	185	146	107	69	39	14
2,960	3,000	426	361	307	268	230	191	152	113	75	43	18
3,000	3,040	436	371	313	274	236	197	158	119	81	47	22
3,040	3,080	446	381	319	280	242	203	164	125	87	51	26
3,080	3,120	456	391	327	286	248	209	170	131	93	55	30
3,120	3,160	466	401	337	292	254	215	176	137	99	60	34
3,160	3,200	476	411	347	298	260	221	182	143	105	66	38
3,200	3,240	486	421	357	304	266	227	188	149	111	72	42
3,240	3,280	496	431	367	310	272	233	194	155	117	78	46
3,280	3,320	506	441	377	316	278	239	200	161	123	84	50
3,320	3,360	516	451	387	322	284	245	206	167	129	90	54
3,360	3,400	526	461	397	332	290	251	212	173	135	96	58
3,400	3,440	536	471	407	342	296	257	218	179	141	102	63
3,440	3,480	546	481	417	352	302	263	224	185	147	108	69
3,480	3,520	556	491	427	362	308	269	230	191	153	114	75
3,520	3,560	566	501	437	372	314	275	236	197	159	120	81
3,560	3,600	576	511	447	382	320	281	242	203	165	126	87
3,600	3,640	586	521	457	392	328	287	248	209	171	132	93
3,640	3,680	596	531	467	402	338	293	254	215	177	138	99
3,680	3,720	606	541	477	412	348	299	260	221	183	144	105
3,720	3,760	616	551	487	422	358	305	266	227	189	150	111
3,760	3,800	626	561	497	432	368	311	272	233	195	156	117
3,800	3,840	636	571	507	442	378	317	278	239	201	162	123
3,840	3,880	646	581	517	452	388	323	284	245	207	168	129
3,880	3,920	656	591	527	462	398	333	290	251	213	174	135
3,920	3,960	666	601	537	472	408	343	296	257	219	180	141
3,960	4,000	676	611	547	482	418	353	302	263	225	186	147
4,000	4,040	686	621	557	492	428	363	308	269	231	192	153
4,040	4,080	696	631	567	502	438	373	314	275	237	198	159
4,080	4,120	706	641	577	512	448	383	320	281	243	204	165
4,120	4,160	716	651	587	522	458	393	328	287	249	210	171
4,160	4,200	726	661	597	532	468	403	338	293	255	216	177
4,200	4,240	736	671	607	542	478	413	348	299	261	222	183
4,240	4,280	746	681	617	552	488	423	358	305	267	228	189
4,280	4,320	756	691	627	562	498	433	368	311	273	234	195
4,320	4,360	766	701	637	572	508	443	378	317	279	240	201
4,360	4,400	776	711	647	582	518	453	388	324	285	246	207
4,400	4,440	786	721	657	592	528	463	398	334	291	252	213
4,440	4,480	796	731	667	602	538	473	408	344	297	258	219
4,480	4,520	806	741	677	612	548	483	418	354	303	264	225
4,520	4,560	816	751	687	622	558	493	428	364	309	270	231
4,560	4,600	826	761	697	632	568	503	438	374	315	276	237
4,600	4,640	836	771	707	642	578	513	448	384	321	282	243
4,640	4,680	846	781	717	652	588	523	458	394	329	288	249
4,680	4,720	856	791	727	662	598	533	468	404	339	294	255
4,720	4,760	866	801	737	672	608	543	478	414	349	300	261
4,760	4,800	876	811	747	682	618	553	488	424	359	306	267
4,800	4,840	886	821	757	692	628	563	498	434	369	312	273
4,840	4,880	896	831	767	702	638	573	508	444	379	318	279
4,880	4,920	906	841	777	712	648	583	518	454	389	325	285
4,920	4,960	916	851	787	722	658	593	528	464	399	335	291
4,960	5,000	926	861	797	732	668	603	538	474	409	345	297
5,000	5,040	936	871	807	742	678	613	548	484	419	355	303
5,040	5,080	946	881	817	752	688	623	558	494	429	365	309

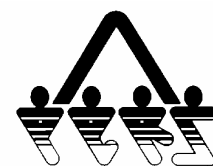
Married Person – Monthly Payroll Period

If the wages are —		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$0	\$540	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
540	560	0	0	0	0	0	0	0	0	0	0	0
560	580	0	0	0	0	0	0	0	0	0	0	0
580	600	0	0	0	0	0	0	0	0	0	0	0
600	640	0	0	0	0	0	0	0	0	0	0	0
640	680	0	0	0	0	0	0	0	0	0	0	0
680	720	3	0	0	0	0	0	0	0	0	0	0
720	760	7	0	0	0	0	0	0	0	0	0	0
760	800	11	0	0	0	0	0	0	0	0	0	0
800	840	15	0	0	0	0	0	0	0	0	0	0
840	880	19	0	0	0	0	0	0	0	0	0	0
880	920	23	0	0	0	0	0	0	0	0	0	0
920	960	27	2	0	0	0	0	0	0	0	0	0
960	1,000	31	6	0	0	0	0	0	0	0	0	0
1,000	1,040	35	10	0	0	0	0	0	0	0	0	0
1,040	1,080	39	14	0	0	0	0	0	0	0	0	0
1,080	1,120	43	18	0	0	0	0	0	0	0	0	0
1,120	1,160	47	22	0	0	0	0	0	0	0	0	0
1,160	1,200	51	26	0	0	0	0	0	0	0	0	0
1,200	1,240	55	30	4	0	0	0	0	0	0	0	0
1,240	1,280	59	34	8	0	0	0	0	0	0	0	0
1,280	1,320	63	38	12	0	0	0	0	0	0	0	0
1,320	1,360	67	42	16	0	0	0	0	0	0	0	0
1,360	1,400	71	46	20	0	0	0	0	0	0	0	0
1,400	1,440	75	50	24	0	0	0	0	0	0	0	0
1,440	1,480	79	54	28	2	0	0	0	0	0	0	0
1,480	1,520	83	58	32	6	0	0	0	0	0	0	0
1,520	1,560	87	62	36	10	0	0	0	0	0	0	0
1,560	1,600	91	66	40	14	0	0	0	0	0	0	0
1,600	1,640	95	70	44	18	0	0	0	0	0	0	0
1,640	1,680	99	74	48	22	0	0	0	0	0	0	0
1,680	1,720	103	78	52	26	0	0	0	0	0	0	0
1,720	1,760	107	82	56	30	4	0	0	0	0	0	0
1,760	1,800	111	86	60	34	8	0	0	0	0	0	0
1,800	1,840	115	90	64	38	12	0	0	0	0	0	0
1,840	1,880	119	94	68	42	16	0	0	0	0	0	0
1,880	1,920	125	98	72	46	20	0	0	0	0	0	0
1,920	1,960	131	102	76	50	24	0	0	0	0	0	0
1,960	2,000	137	106	80	54	28	2	0	0	0	0	0
2,000	2,040	143	110	84	58	32	6	0	0	0	0	0
2,040	2,080	149	114	88	62	36	10	0	0	0	0	0
2,080	2,120	155	118	92	66	40	14	0	0	0	0	0
2,120	2,160	161	123	96	70	44	18	0	0	0	0	0
2,160	2,200	167	129	100	74	48	22	0	0	0	0	0
2,200	2,240	173	135	104	78	52	26	0	0	0	0	0
2,240	2,280	179	141	108	82	56	30	4	0	0	0	0
2,280	2,320	185	147	112	86	60	34	8	0	0	0	0
2,320	2,360	191	153	116	90	64	38	12	0	0	0	0
2,360	2,400	197	159	120	94	68	42	16	0	0	0	0
2,400	2,440	203	165	126	98	72	46	20	0	0	0	0
2,440	2,480	209	171	132	102	76	50	24	0	0	0	0
2,480	2,520	215	177	138	106	80	54	28	3	0	0	0
2,520	2,560	221	183	144	110	84	58	32	7	0	0	0
2,560	2,600	227	189	150	114	88	62	36	11	0	0	0
2,600	2,640	233	195	156	118	92	66	40	15	0	0	0
2,640	2,680	239	201	162	123	96	70	44	19	0	0	0
2,680	2,720	245	207	168	129	100	74	48	23	0	0	0
2,720	2,760	251	213	174	135	104	78	52	27	1	0	0
2,760	2,800	257	219	180	141	108	82	56	31	5	0	0
2,800	2,840	263	225	186	147	112	86	60	35	9	0	0
2,840	2,880	269	231	192	153	116	90	64	39	13	0	0
2,880	2,920	275	237	198	159	120	94	68	43	17	0	0
2,920	2,960	281	243	204	165	126	98	72	47	21	0	0
2,960	3,000	287	249	210	171	132	102	76	51	25	0	0
3,000	3,040	293	255	216	177	138	106	80	55	29	3	0
3,040	3,080	299	261	222	183	144	110	84	59	33	7	0
3,080	3,120	305	267	228	189	150	114	88	63	37	11	0
3,120	3,160	311	273	234	195	156	118	92	67	41	15	0
3,160	3,200	317	279	240	201	162	124	96	71	45	19	0
3,200	3,240	323	285	246	207	168	130	100	75	49	23	0

Married Persons – Monthly Payroll Period

If the wages are —		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$3,240	\$3,280	\$329	\$291	\$252	\$213	\$174	\$136	\$104	\$79	\$53	\$27	\$1
3,280	3,320	335	297	258	219	180	142	108	83	57	31	5
3,320	3,360	341	303	264	225	186	148	112	87	61	35	9
3,360	3,400	347	309	270	231	192	154	116	91	65	39	13
3,400	3,440	353	315	276	237	198	160	121	95	69	43	17
3,440	3,480	359	321	282	243	204	166	127	99	73	47	21
3,480	3,520	365	327	288	249	210	172	133	103	77	51	25
3,520	3,560	371	333	294	255	216	178	139	107	81	55	29
3,560	3,600	377	339	300	261	222	184	145	111	85	59	33
3,600	3,640	383	345	306	267	228	190	151	115	89	63	37
3,640	3,680	389	351	312	273	234	196	157	119	93	67	41
3,680	3,720	395	357	318	279	240	202	163	124	97	71	45
3,720	3,760	401	363	324	285	246	208	169	130	101	75	49
3,760	3,800	407	369	330	291	252	214	175	136	105	79	53
3,800	3,840	413	375	336	297	258	220	181	142	109	83	57
3,840	3,880	419	381	342	303	264	226	187	148	113	87	61
3,880	3,920	425	387	348	309	270	232	193	154	117	91	65
3,920	3,960	431	393	354	315	276	238	199	160	121	95	69
3,960	4,000	437	399	360	321	282	244	205	166	127	99	73
4,000	4,040	443	405	366	327	288	250	211	172	133	103	77
4,040	4,080	449	411	372	333	294	256	217	178	139	107	81
4,080	4,120	455	417	378	339	300	262	223	184	145	111	85
4,120	4,160	461	423	384	345	306	268	229	190	151	115	89
4,160	4,200	467	429	390	351	312	274	235	196	157	119	93
4,200	4,240	473	435	396	357	318	280	241	202	163	125	97
4,240	4,280	479	441	402	363	324	286	247	208	169	131	101
4,280	4,320	485	447	408	369	330	292	253	214	175	137	105
4,320	4,360	491	453	414	375	336	298	259	220	181	143	109
4,360	4,400	497	459	420	381	342	304	265	226	187	149	113
4,400	4,440	503	465	426	387	348	310	271	232	193	155	117
4,440	4,480	509	471	432	393	354	316	277	238	199	161	122
4,480	4,520	515	477	438	399	360	322	283	244	205	167	128
4,520	4,560	521	483	444	405	366	328	289	250	211	173	134
4,560	4,600	527	489	450	411	372	334	295	256	217	179	140
4,600	4,640	533	495	456	417	378	340	301	262	223	185	146
4,640	4,680	539	501	462	423	384	346	307	268	229	191	152
4,680	4,720	545	507	468	429	390	352	313	274	235	197	158
4,720	4,760	551	513	474	435	396	358	319	280	241	203	164
4,760	4,800	557	519	480	441	402	364	325	286	247	209	170
4,800	4,840	563	525	486	447	408	370	331	292	253	215	176
4,840	4,880	569	531	492	453	414	376	337	298	259	221	182
4,880	4,920	575	537	498	459	420	382	343	304	265	227	188
4,920	4,960	581	543	504	465	426	388	349	310	271	233	194
4,960	5,000	587	549	510	471	432	394	355	316	277	239	200
5,000	5,040	593	555	516	477	438	400	361	322	283	245	206
5,040	5,080	599	561	522	483	444	406	367	328	289	251	212
5,080	5,120	605	567	528	489	450	412	373	334	295	257	218
5,120	5,160	611	573	534	495	456	418	379	340	301	263	224
5,160	5,200	617	579	540	501	462	424	385	346	307	269	230
5,200	5,240	623	585	546	507	468	430	391	352	313	275	236
5,240	5,280	629	591	552	513	474	436	397	358	319	281	242
5,280	5,320	635	597	558	519	480	442	403	364	325	287	248
5,320	5,360	641	603	564	525	486	448	409	370	331	293	254
5,360	5,400	647	609	570	531	492	454	415	376	337	299	260
5,400	5,440	656	615	576	537	498	460	421	382	343	305	266
5,440	5,480	666	621	582	543	504	466	427	388	349	311	272
5,480	5,520	676	627	588	549	510	472	433	394	355	317	278
5,520	5,560	686	633	594	555	516	478	439	400	361	323	284
5,560	5,600	696	639	600	561	522	484	445	406	367	329	290
5,600	5,640	706	645	606	567	528	490	451	412	373	335	296
5,640	5,680	716	651	612	573	534	496	457	418	379	341	302
5,680	5,720	726	661	618	579	540	502	463	424	385	347	308
5,720	5,760	736	671	624	585	546	508	469	430	391	353	314
5,760	5,800	746	681	630	591	552	514	475	436	397	359	320
5,800	5,840	756	691	636	597	558	520	481	442	403	365	326
5,840	5,880	766	701	642	603	564	526	487	448	409	371	332

DAKOTA PLAN & DAKOTA RETIREE PLAN



This contains information regarding your eligibility for the Dakota Plan and Dakota Retiree Plan. Both plans are underwritten by Blue Cross Blue Shield of North Dakota (BCBSND).

GROUP HEALTH INSURANCE FOR RETIREES OF NDPERS, NDHPRS, JOB SERVICE RETIREMENT PLAN, TEACHERS FUND FOR RETIREMENT (TFFR), AND TIAA-CREF

ELIGIBILITY

To be eligible to join the Dakota Plan or the Dakota Retiree Plan you must be receiving a retirement benefit from NDPERS, the North Dakota Highway Patrol Retirement System (NDHPRS), Job Service Retirement Plan, TFFR, or TIAA-CREF.

A surviving spouse is eligible for coverage if:

- You are receiving a beneficiary benefit from NDPERS, the North Dakota Highway Patrol Retirement System (NDHPRS), Job Service Retirement Plan, or TIAA-CREF, **or**
- You were on the Dakota Plan as a covered dependent at the time of your spouse's death and there is no lapse in coverage.

Non-spouse beneficiaries are not eligible to continue on the group health plan.

ENROLLMENT

You must apply within 31 days from any one of the following "qualifying events":

1. Date of retirement, defined as either your:
 - Last day of active employment if you do not defer your retirement benefit or take a lump-sum refund of your retirement account, or
 - Date of first retirement check if you defer your retirement benefit.
2. Your 65th birthday or eligibility for Medicare;
3. Your spouse's or eligible dependent's 65th birthday or eligibility for Medicare;
4. The loss of coverage in a health plan sponsored or provided by your employer or your spouse's employer, if you are covered through your spouse's employer group plan. This includes loss of coverage due to the death of, or divorce from a spouse as well as completion of COBRA continuation coverage.
5. Marriage
6. Birth, adoption, or appointment of children for legal guardianship.

If you do not enroll within 31 days of any one of the above qualifying events, you will have forfeited your right to enroll in the Plan in the future.

If you were enrolled in the Dakota Plan as an active employee, coverage will become effective on the first of the month following the final date of coverage provided by your employer. If you were not enrolled in the Dakota Plan at the time of application, coverage will become effective on the first day of the month following one of the “qualifying events” listed above.

COBRA Continuation

You are eligible for COBRA continuation if you are enrolled in the Dakota Plan as an active employee, and are not eligible for Medicare. You will have the option to continue your coverage for 18 months under COBRA or until you are eligible for Medicare, whichever occurs first. Your options will vary based on the following:

- You **defer your retirement benefit or take a lump sum refund** of your account. After the 18 months has expired and you are not yet receiving a retirement benefit from one of the eligible retirement systems listed on the previous page, you have the option to enroll under a conversion health plan. For details about the conversion option, contact BCBSND at 1-800-223-1704.
- You elect to begin receiving **immediate retirement benefits** from one of the eligible retirement systems listed on the previous page. At the conclusion of the 18 months or if you become eligible for Medicare, you have the option to enroll in the [Dakota Plan](#) or the [Dakota Retiree Plan](#) subject to the eligibility requirements described.

Upon termination or retirement, you must complete a [Retiree Continuation of Group Health Insurance Coverage \(COBRA\) SFN 53799](#).

The following COBRA premiums are in effect through June 30, 2005:

	<u>Single</u>	<u>Family</u>
State Agencies	\$234.71	\$579.08
Political Subdivisions	\$250.99	\$619.07
EPO Only Groups	\$233.13	\$575.18

Dakota Plan

You are eligible to enroll for this health coverage under the following circumstances:

- ✓ Occurrence of a qualifying event outlined in 1, 4, 5, or 6 on the previous page.

If you are not enrolled in the Dakota Plan as an active employee and elect to begin receiving retirement benefits from one of the eligible retirement systems listed on the previous page.

If you have COBRA coverage, you will receive a notification regarding the enrollment procedures prior to completion of your continuation period. To enroll you must complete the application provided with the notice. If you do not enroll in the plan at the time you are eligible, your coverage will cease on the last day of the month for which premium was paid.

The following premiums are in effect through June 30, 2005:

	<u>Single</u>	<u>Family</u>
Non-Medicare	\$351.24	\$702.47
Non-Medicare (3 or more)		\$878.09

Dakota Retiree Plan

The Dakota Retiree Plan is a "Carve-Out" plan that pays secondary to Medicare. It is not a supplemental plan. As secondary payer, there will be an adjustment to your premium if you are transitioning from the Dakota Plan.

You are eligible to enroll for this health coverage at the time either you or one of your eligible family members becomes eligible for Medicare. If you are covered under the Dakota Plan at the time, you will receive a notification approximately 60 days prior to the eligibility date regarding the enrollment procedures. To enroll you must comply with the following requirements:

- **The eligible member must have both parts A and B of Medicare.** If the eligible member continues to be covered by an "active" employer group policy, Medicare Part B may be waived until the contract holder terminates employment.
- You **MUST** complete the [Retiree Group Health Insurance application SFN 16277](#) and include a copy of your Medicare card.

If the above requirements are met and you enroll prior to July 1, 2003, the following premiums are in effect through June 30, 2005:

	<u>Single</u>	<u>Family</u>
One Medicare/One Non-Medicare		\$522.72
Medicare Eligible	\$212.24	\$415.18
(MUST have both Medicare A & B)		

If the above requirements are met and you enroll in the plan on or after July 1, 2003 the following premiums are in effect through June 30, 2004:

	<u>Single</u>	<u>Family</u>
One Medicare/One Non-Medicare		\$508.10
Medicare Eligible	\$205.54	\$403.30
(MUST have both Medicare A & B)		

If you do not enroll in the plan at the time you are eligible, your coverage will cease on the first day of the month in which you or your family member(s) became eligible.

PREMIUM PAYMENTS

If your monthly NDPERS retirement benefit is larger than your monthly premium, your premium will automatically be withheld from your benefit check. If your monthly health premium exceeds your retirement benefit, or you are receiving a monthly retirement benefit from the Job Service Retirement Plan or from TIAA-CREF, NDPERS can either bill you direct or you may have the premium deducted from a bank account. NDPERS bills direct for premiums on a monthly basis. However, you may choose to pay multiple months in advance. If you have any questions, please contact NDPERS for more information.

CANCELLATION OF HEALTH COVERAGE

If you wish to cancel your NDPERS health coverage you **MUST** submit a written request providing the contract holder's name, contract number and effective cancellation date. Cancellations will only be done at the end of the month. We cannot cancel your policy for a partial month or do a retroactive cancellation of a policy. NDPERS must receive your cancellation request by the 15th of the month prior to the effective cancellation date.

DAKOTA HEALTH PLAN FEATURES



Underwritten by: BlueCross BlueShield of North Dakota

Preferred Provider Organization (PPO)

The Preferred Provider Organization (PPO) is a group of hospitals, clinics and physicians who have agreed to discount their services to members of NDPERS. You have "freedom of choice" in selecting which physician or medical facility to use for services. No referral is needed. If you choose a provider who participates in the PPO program, you will have lower out-of-pocket expenses. PPO benefits are only available in the State of North Dakota, unless the medical facility provides services at a satellite location in another State.

Exclusive Provider Organization (EPO)

The Exclusive Provider Organization (EPO) is a managed care program and encourages the use of a Primary Care Physician. You and each of your eligible family members may use any Primary Care Physician affiliated with your designated EPO provider. You may change your Primary Care Physicians at any time. The medical practices included under primary care are: General/Family Practice, Obstetrics/Gynecology, Pediatrics and Internal Medicine. If you enroll in the EPO you will have lower out-of-pocket expenses for annual deductibles and reduced copayments for office visits and diagnostic services. Your affiliation is for one year. The plan year runs from July 1 through June 30 of the following year.

<u>Plan Features:</u>	<u>Basic</u> (Self Referral or Out-of-State)	<u>PPO</u>	<u>EPO*</u>
Deductible for All Services			
-Per Person	\$250	\$250	\$100
-Per Family	\$750	\$750	\$300
Copayment for Physician Office Visits (no limit)	\$ 25	\$ 20	\$ 15
Copayment for Emergency Room	\$ 50	\$ 50	\$ 50
Coinsurance on all covered services EXCEPT Physician Office Visits	75/25	80/20	85/15
Annual Coinsurance Maximum			
-Individual	\$1250	\$750	\$500
-Family	\$2500	\$1500	\$1000
Out-of-Pocket Maximums (Deductible and Coinsurance)**			
-Individual	\$1500	\$1000	\$600
-Family	\$3250	\$2250	\$1300

*Out-of-network coverage is at the Basic level.

**Office visit and emergency room copayments and prescription drug copayments and coinsurance are additional

DEDUCTIBLE AND COINSURANCE

Deductible, copayments, and coinsurance maximums accrue on a "Calendar-Year" basis, January 1 - December 31

Prescription Formulary Generic Drug			
-Copayment	\$5	\$5	\$5
-Coinsurance	15%	15%	15%
Prescription Formulary Brand-Name Drug***			
-Copayment	\$15	\$15	\$15
-Coinsurance	25%	25%	25%
Prescription Non-Formulary Drug			
-Copayment	\$25	\$25	\$25
-Coinsurance	50%	50%	50%

*** For each 34-day supply or 100 units of an authorized maintenance drug or non-prescription diabetic supplies

PREVENTIVE SCREENING SERVICES

The following services are paid at 100% of allowed charge. The deductible amount is waived

Planned Screening includes these tests:	Frequency
Blood Sugar Testing (blood test used to screen for diabetes and other conditions) Total Serum Cholesterol Testing (identifies risk factors for coronary artery disease) Fecal Occult Blood Testing (test used to screen for colon cancer)	Under age 40: Once every five years. Ages 40 - 64: Once every two years. Ages 65 and over: Once a year.
Mammography Screening (test for breast tumors)	Ages 35 - 40: One service for members between the ages of 35 - 40. Ages 40 - 50: Once every 24 months. Ages 50 and over: Once a year.
Routine Pap Smear (test for cervical cancer)	Once a year.

DAKOTA RETIREE PLAN

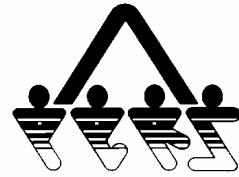


The **Dakota Retiree Plan** provides health care coverage as a secondary payor to Medicare. The **Dakota Retiree Plan** differs from the regular Federal Supplement plans A through J in that it does not pay 100% of the balance of Medicare's approved charges. The following is a brief description of benefits as provided by the plan when paying secondary to Medicare. Please note that the **Dakota Retiree Plan** provides you with prescription drug coverage. To continue coverage with the NDPERS Dakota Retiree Plan you must carry both Parts A and B of Medicare when you become eligible for Medicare benefits. If you or your spouse/dependent are eligible for Medicare but continue to be covered by an "active" employer group policy, Medicare Part B may be waived until the contract holder terminates from employment.

TYPE OF SERVICE	MEDICARE PAYS	DAKOTA RETIREE PLAN PAYS	
		In State PPO Provider	Non PPO Provider or Out of State
INPATIENT HOSPITAL SERVICES Includes semi-private room and board, general nursing and miscellaneous hospital services and supplies.	A benefit period begins on the first day you receive service as an inpatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row. The following is based on a benefit period. First 60 days : all but \$840 61 st thru 90 th day : all but \$210 a day 91 st day and after : all but \$420 a day	Dakota Plan pays 80% after the annual \$250 deductible. For any subsequent illness where Medicare's deductible is applied again, Dakota Plan pays 80%.	Dakota Plan pays 75% after the annual \$250 deductible. For any subsequent illness where Medicare's deductible is applied again, Dakota Plan pays 75%.
OUTPATIENT HOSPITAL SERVICES & SUPPLIES Includes services for first-aid emergency care, laboratory and x-ray tests, surgical procedures, radiation therapy, home health visits, ambulance, and durable medical equipment such as oxygen equipment and wheelchairs.	Outpatient services are covered when provided for and billed by a hospital, subject to the Medicare Part B annual \$100 deductible and 20% coinsurance	Dakota Plan pays eligible expenses at 80%, subject to an annual \$250 deductible (combined with inpatient services).	Dakota Plan pays eligible expenses at 75%, subject to an annual \$250 deductible (combined with inpatient services).
EXTENDED CARE/HOME HEALTH	<u>Skilled Nursing Facility</u> – In each benefit period, Medicare Part A may pay for all covered services for the first 20 days you are in a skilled nursing facility. For the 21 st – 100 th day, Medicare Part A copayment is \$105 per day. <u>Home Health Care</u> – Unlimited home health visits if all Medicare guidelines have been met.	Unlimited days for Skilled Nursing Facilities and Home Health Care for <u>medically necessary</u> (skilled) services paid at 80%, subject to an annual \$250 deductible (combined with in-outpatient services). No coverage for intermediate and/or custodial care.	Unlimited days for Skilled Nursing Facilities and Home Health Care for <u>medically necessary</u> (skilled) services paid at 75%, subject to an annual \$250 deductible (combined with in-outpatient services). No coverage for intermediate and/or custodial care.
AVAILABLE PHYSICIAN, MEDICAL SERVICES AND SUPPLIES Includes physician services wherever provided – in-home, hospital, or office; diagnostic x-ray and lab tests; physical and speech therapy; medical supplies such as splints and casts, certain prosthetic devices; artificial limbs and eyes.	You pay the first \$100 per year – Medicare Part B (medical insurance) then pays 80% of the remaining allowable charges for covered services as determined by Medicare Part B.	Dakota Plan pays 80% of <u>allowable</u> charges on Medicare's balance.	Dakota Plan pays 75% of <u>allowable</u> charges on Medicare's balance.
PRESCRIPTION DRUGS	Inpatient prescription drugs only. No coverage for outpatient prescription drugs.	Outpatient Prescription Drugs – Subject to the following limitations. For each 30-day supply or 100 units of an authorized maintenance drug you pay: Formulary: Brand-name drug -- \$15 plus 25% of allowable charge Generic drug -- \$5 plus 15% of allowable charge Non-Formulary: \$25 plus 50% of allowable charge Members pay the difference between generic and brand-name price if brand-name drug is purchased and generic is available.	

LIFE INSURANCE

Effective July 1, 2003



If you are participating in the NDPERS group life insurance plan as an active employee, you will have the option to continue your employee supplemental, dependent supplemental, and spouse supplemental life insurance coverage to age 65. This election must be made within 31 days of date of retirement by completing a [Retiree Life Insurance Application SFN 53622](#). If you do not apply to continue coverage during this time limit, you will have forfeited your right to enroll in the future.

You may either maintain the same level(s) of coverage you had as an active employee or elect to decrease or discontinue your level(s) of coverage. You cannot increase any coverage levels, apply for coverage you are not participating in at the time of retirement, nor are you eligible for the annual enrollment.

[Life insurance premiums](#) may be paid on the same basis as the health premium; by deduction from the pension check, deduction from a bank account, or by individual billing. However, if you are also participating in the health plan, the life premium must be paid in the same manner as that selected for the health premium. Premiums can not be withheld from a retirement benefit as a pre-tax deduction.

The employee supplemental, dependent life, and spouse supplemental insurance will terminate at age 65. You are eligible to continue the \$1,300 basic coverage for life. However, to continue any other levels of coverage, you will be given the opportunity to convert to an individual life policy with the life insurance. You or your insured dependent may convert this insurance by applying and paying the first premium for an individual policy within 31 days after any part of your or your insured dependent's insurance stops. ReliaStar Life or the Policyholder must be notified by completing a [Life Conversion Information Request Form](#).

Refer to your [Certificate of Insurance](#) for further details on the Life Insurance benefits.

Retiree Supplemental Life and Accidental Death and Dismemberment Insurance

Retiree Monthly Premium Amounts

Rates Effective July 1, 2001

Employee Total Coverage (Including Basic)

<u>Employee's Age</u>	<u>\$5,000</u>	<u>\$10,000</u>	<u>\$15,000</u>	<u>\$20,000</u>	<u>\$25,000</u>	<u>\$30,000</u>	<u>\$35,000</u>	<u>\$40,000</u>	<u>\$45,000</u>	<u>\$50,000</u>
40 to 44	\$0.87	\$1.67	\$2.47	\$3.27	\$4.07	\$4.87	\$5.67	\$6.47	\$7.27	\$8.07
45 to 49	\$1.06	\$2.11	\$3.16	\$4.21	\$5.26	\$6.31	\$7.36	\$8.41	\$9.46	\$10.51
50 to 54	\$1.43	\$2.98	\$4.53	\$6.08	\$7.63	\$9.18	\$10.73	\$12.28	\$13.83	\$15.38
55 to 59	\$2.35	\$5.15	\$7.95	\$10.75	\$13.55	\$16.35	\$19.15	\$21.95	\$24.75	\$27.55
60 to 64	\$3.43	\$7.68	\$11.93	\$16.18	\$20.43	\$24.68	\$28.93	\$33.18	\$37.43	\$41.68
65 to 69	\$6.27	\$14.37	\$22.47	\$30.57	\$38.67	\$46.77	\$54.87	\$62.97	\$71.07	\$79.17
70+	\$9.94	\$22.99	\$36.04	\$49.09	\$62.14	\$75.19	\$88.24	\$101.29	\$114.34	\$127.39

Employee Total Coverage (Including Basic)

<u>Employee's Age</u>	<u>\$55,000</u>	<u>\$60,000</u>	<u>\$65,000</u>	<u>\$70,000</u>	<u>\$75,000</u>	<u>\$80,000</u>	<u>\$85,000</u>	<u>\$90,000</u>	<u>\$95,000</u>	<u>\$100,000</u>
40 to 44	\$8.87	\$9.67	\$10.47	\$11.27	\$12.07	\$12.87	\$13.67	\$14.47	\$15.27	\$16.07
45 to 49	\$11.56	\$12.61	\$13.66	\$14.71	\$15.76	\$16.81	\$17.86	\$18.91	\$19.96	\$21.01
50 to 54	\$16.93	\$18.48	\$20.03	\$21.58	\$23.13	\$24.68	\$26.23	\$27.78	\$29.33	\$30.88
55 to 59	\$30.35	\$33.15	\$35.95	\$38.75	\$41.55	\$44.35	\$47.15	\$49.95	\$52.75	\$55.55
60 to 64	\$45.93	\$50.18	\$54.43	\$58.68	\$62.93	\$67.18	\$71.43	\$75.68	\$79.93	\$84.18
65 to 69	\$87.27	\$95.37	\$103.47	\$111.57	\$119.67	\$127.77	\$135.87	\$143.97	\$152.07	\$160.17
70+	\$140.44	\$153.49	\$166.54	\$179.59	\$192.64	\$205.69	\$218.74	\$231.79	\$244.84	\$257.89

Employee Total Coverage (Including Basic)

<u>Employee's Age</u>	<u>\$105,000</u>	<u>\$110,000</u>	<u>\$115,000</u>	<u>\$120,000</u>	<u>\$125,000</u>	<u>\$130,000</u>	<u>\$135,000</u>	<u>\$140,000</u>	<u>\$145,000</u>	<u>\$150,000</u>
40 to 44	\$16.87	\$17.67	\$18.47	\$19.27	\$20.07	\$20.87	\$21.67	\$22.47	\$23.27	\$24.07
45 to 49	\$22.06	\$23.11	\$24.16	\$25.21	\$26.26	\$27.31	\$28.36	\$29.41	\$30.46	\$31.51
50 to 54	\$32.43	\$33.98	\$35.53	\$37.08	\$38.63	\$40.18	\$41.73	\$43.28	\$44.83	\$46.38
55 to 59	\$58.35	\$61.15	\$63.95	\$66.75	\$69.55	\$72.35	\$75.15	\$77.95	\$80.75	\$83.55
60 to 64	\$88.43	\$92.68	\$96.93	\$101.18	\$105.43	\$109.68	\$113.93	\$118.18	\$122.43	\$126.68
65 to 69	\$168.27	\$176.37	\$184.47	\$192.57	\$200.67	\$208.77	\$216.87	\$224.97	\$233.07	\$241.17
70+	\$270.94	\$283.99	\$297.04	\$310.09	\$323.14	\$336.19	\$349.24	\$362.29	\$375.34	\$388.39

Employee Total Coverage (Including Basic)

<u>Employee's Age</u>	<u>\$155,000</u>	<u>\$160,000</u>	<u>\$165,000</u>	<u>\$170,000</u>	<u>\$175,000</u>	<u>\$180,000</u>	<u>\$185,000</u>	<u>\$190,000</u>	<u>\$195,000</u>	<u>\$200,000</u>
40 to 44	\$24.87	\$25.67	\$26.47	\$27.27	\$28.07	\$28.87	\$29.67	\$30.47	\$31.27	\$32.07
45 to 49	\$32.56	\$33.61	\$34.66	\$35.71	\$36.76	\$37.81	\$38.86	\$39.91	\$40.96	\$42.01
50 to 54	\$47.93	\$49.48	\$51.03	\$52.58	\$54.13	\$55.68	\$57.23	\$58.78	\$60.33	\$61.88
55 to 59	\$86.35	\$89.15	\$91.95	\$94.75	\$97.55	\$100.35	\$103.15	\$105.95	\$108.75	\$111.55
60 to 64	\$130.93	\$135.18	\$139.43	\$143.68	\$147.93	\$152.18	\$156.43	\$160.68	\$164.93	\$169.18
65 to 69	\$249.27	\$257.37	\$265.47	\$273.57	\$281.67	\$289.77	\$297.87	\$305.97	\$314.07	\$322.17
70+	\$401.44	\$414.49	\$427.54	\$440.59	\$453.64	\$466.69	\$479.74	\$492.79	\$505.84	\$518.89

Dependent Supplemental Life Insurance Premiums

Monthly Premium Amounts

Rates Effective July 1, 2001

Employee	Total Coverage	
Age	\$2,000	\$5,000
40 to 44	\$0.62	\$1.51
45 to 49	\$0.97	\$2.34
50 to 54	\$1.51	\$3.71
55 to 59	\$2.34	\$5.78
60 to 64	\$3.71	\$9.22
65 to 69	\$5.78	\$14.38
70 to 74	\$10.04	\$25.04
75 to 79	\$10.04	\$25.04
80 to 84	\$10.04	\$25.04
85 to 89	\$10.04	\$25.04
90+	\$10.04	\$25.04

Spouse Supplemental Life Insurance

Monthly Premium Amounts

Rates Effective July 1, 2001

Spouse Total Coverage

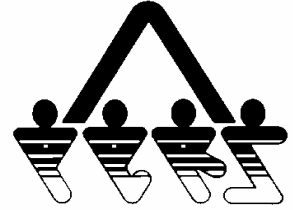
Employee's Age	\$5,000	\$10,000	\$15,000	\$20,000	\$25,000	\$30,000	\$35,000	\$40,000	\$45,000	\$50,000
45 to 49	\$1.50	\$3.00	\$4.50	\$6.00	\$7.50	\$9.00	\$10.50	\$12.00	\$13.50	\$15.00
50 to 54	\$2.50	\$5.00	\$7.50	\$10.00	\$12.50	\$15.00	\$17.50	\$20.00	\$22.50	\$25.00
55 to 59	\$3.95	\$7.90	\$11.85	\$15.80	\$19.75	\$23.70	\$27.65	\$31.60	\$35.55	\$39.50
60 to 64	\$6.15	\$12.30	\$18.45	\$24.60	\$30.75	\$36.90	\$43.05	\$49.20	\$55.35	\$61.50
65 to 69	\$9.45	\$18.90	\$28.35	\$37.80	\$47.25	\$56.70	\$66.15	\$75.60	\$85.05	\$94.50
70 to 74	\$14.40	\$28.80	\$43.20	\$57.60	\$72.00	\$86.40	\$100.80	\$115.20	\$129.60	\$144.00
75 to 79	\$14.40	\$28.80	\$43.20	\$57.60	\$72.00	\$86.40	\$100.80	\$115.20	\$129.60	\$144.00
80 to 84	\$14.40	\$28.80	\$43.20	\$57.60	\$72.00	\$86.40	\$100.80	\$115.20	\$129.60	\$144.00
85 to 89	\$14.40	\$28.80	\$43.20	\$57.60	\$72.00	\$86.40	\$100.80	\$115.20	\$129.60	\$144.00
90+	\$14.40	\$28.80	\$43.20	\$57.60	\$72.00	\$86.40	\$100.80	\$115.20	\$129.60	\$144.00

Spouse Total Coverage

Employee's Age	\$55,000	\$60,000	\$65,000	\$70,000	\$75,000	\$80,000	\$85,000	\$90,000	\$95,000	\$100,000
40 to 44	\$9.35	\$10.20	\$11.05	\$11.90	\$12.75	\$13.60	\$14.45	\$15.30	\$16.15	\$17.00
45 to 49	\$16.50	\$18.00	\$19.50	\$21.00	\$22.50	\$24.00	\$25.50	\$27.00	\$28.50	\$30.00
50 to 54	\$27.50	\$30.00	\$32.50	\$35.00	\$37.50	\$40.00	\$42.50	\$45.00	\$47.50	\$50.00
55 to 59	\$43.45	\$47.40	\$51.35	\$55.30	\$59.25	\$63.20	\$67.15	\$71.10	\$75.05	\$79.00
60 to 64	\$67.65	\$73.80	\$79.95	\$86.10	\$92.25	\$98.40	\$104.55	\$110.70	\$116.85	\$123.00
65 to 69	\$103.95	\$113.40	\$122.85	\$132.30	\$141.75	\$151.20	\$160.65	\$170.10	\$179.55	\$189.00
70 to 74	\$158.40	\$172.80	\$187.20	\$201.60	\$216.00	\$230.40	\$244.80	\$259.20	\$273.60	\$288.00
75 to 79	\$158.40	\$172.80	\$187.20	\$201.60	\$216.00	\$230.40	\$244.80	\$259.20	\$273.60	\$288.00
80 to 84	\$158.40	\$172.80	\$187.20	\$201.60	\$216.00	\$230.40	\$244.80	\$259.20	\$273.60	\$288.00
85 to 89	\$158.40	\$172.80	\$187.20	\$201.60	\$216.00	\$230.40	\$244.80	\$259.20	\$273.60	\$288.00
90+	\$158.40	\$172.80	\$187.20	\$201.60	\$216.00	\$230.40	\$244.80	\$259.20	\$273.60	\$288.00



RETIREE DENTAL COVERAGE



The group dental plan is available to retired employees and surviving spouses that are receiving a retirement benefit from North Dakota Public Employees Retirement System (NDPERS), TIAA-CREF, ND Teachers Fund For Retirement (TFFR), or Job Service Retirement plan. This coverage allows you to choose your own dentist. The plan highlights and the current premium rates are included for your information.

Retirees or surviving spouse may elect to enroll in the dental plan within 31 days of a “qualifying event.” The “qualifying events” are as follows:

- ✓ Date of retirement which is the last day of employment or date of first retirement check,
- ✓ Retiree’s 65th birthday or eligibility for Medicare,
- ✓ Retiree’s spouse’s 65th birthday or eligibility for Medicare,
- ✓ The last date of coverage in a dental plan provided by the retiree’s or spouse’s employer. This includes loss of coverage due to death of, or divorce from a spouse as well as the completion of COBRA continuation coverage,
- ✓ Marriage,
- ✓ Birth, adoption, or legal guardianship

If you are eligible to enroll due to a qualifying event, please complete the [Retiree Dental Insurance Enrollment/Change form SFN 53504](#). Applications **MUST be completed and returned by the 15th of the month prior to the effective date**. Late applications must include a check payable to NDPERS for the first months’ premium. **Applications received outside 31-days of a “qualifying event” will not be accepted.**

PLAN HIGHLIGHTS

The dental services covered by this insurance are divided into four main categories shown below. This dental summary of benefits is intended to describe only a general outline of the plan of benefits and does not represent the actual terms and conditions of the Policy.

Dental Plan \$1,000 maximum annual benefit per person.

SERVICE	DEDUCTIBLE	COINSURANCE	WAITING PERIOD
<i>Preventive and diagnostic treatment (cleaning & x-rays, every 6 months)</i>	<i>\$10.00*</i>	<i>100%</i>	<i>None</i>
<i>Basic treatment (fillings, oral surgery, periodonics)</i>	<i>\$50 per person**</i>	<i>80%</i>	<i>6 months</i>
<i>Major treatment (Crowns, bridges, dentures)</i>	<i>\$50 per person**</i>	<i>50%</i>	<i>1 year</i>
<i>Orthodontic treatment ***</i>	<i>None</i>	<i>50%</i>	<i>2 years</i>

* *The deductible for Preventive and Diagnostic Treatment is the amount payable by you or your insured dependent each time you visit a dentist's office.*

* * *The deductible includes total expenditures per person for all basic and major treatment combined.*

*** *Orthodontic treatment is available to eligible dependent children; lifetime maximum benefit is \$1,500.*

All coverage is subject to reasonable and customary fee guidelines. ReliaStar uses the 80th percentile of fee data from an independent contractor to determine reasonable and customary fees. Dental charges in excess of the reasonable and customary fees are the participant's responsibility.

PREMIUM INFORMATION

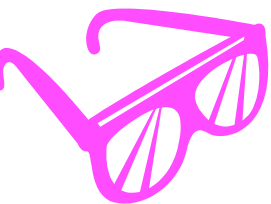
You can purchase dental coverage for yourself and your eligible dependents by choosing from any one of the following coverage categories. Premium rates are effective until December 31, 2003.

Monthly Premium

Retiree only	\$27.72
Retiree & spouse	\$53.40
Retiree & child(ren)	\$62.16
Family (retiree, spouse & children)	\$87.84

COVERAGE QUESTIONS?

Please contact ReliaStar, plan administrator, at 1-800-965-4148.



RETIREE VISION COVERAGE



The group vision plan is available to retired employees that are receiving a retirement benefit from North Dakota Public Employees Retirement System (NDPERS), TIAA-CREF, ND Teachers Fund For Retirement (TFFR), or the Job Service Retirement Plan. This coverage allows you to choose your own eye care professional. The plan highlights and the current premium rates are included for your information.

Retirees may elect to enroll in the vision plan within 31 days of a “qualifying event.” The “qualifying events” are as follows:

- ✓ Date of retirement which is the last day of employment or date of first retirement check,
- ✓ Retiree’s 65th birthday or eligibility for Medicare,
- ✓ Retiree’s spouse’s 65th birthday or eligibility for Medicare,
- ✓ The last date of coverage in a vision plan provided by the retiree’s or spouse’s employer. This includes loss of coverage due to death of, or divorce from a spouse as well as the completion of COBRA continuation coverage,
- ✓ Marriage,
- ✓ Birth, adoption, or legal guardianship

If you are eligible to enroll due to a qualifying event, please complete the [Retiree Vision Insurance Enrollment/Change form SFN 53505](#). Applications **MUST be completed and returned by the 15th of the month prior to the effective date**. Late applications must include a check payable to NDPERS for the first months’ premium. **Applications received outside 31-days of a “qualifying event” will not be accepted.**

Plan Highlights

Covered vision services fall into four main categories as shown below:

Service	Deductible*	Benefit Amount**	Waiting Period (Late Entrant)
Vision Examination (Once every 12 months)	None	\$35	None
Frames (Once every 12 months)	\$40	\$40	12 months
Lenses (Per Pair, Once every 12 months)	None		12 months
Single Vision		\$35	
Bifocal		\$50	
Trifocal		\$65	
No Line Bifocal or Progressive		\$70	
Lenticular (cataract surgery)		\$70	
Contact Lenses (Once every 12 months)	\$40	\$75	12 months

*Lifetime Deductible per person-applies to frames and contact lenses only.

**The benefit paid will be the lesser of the actual amount charged or the benefit amount shown above. You will be responsible for any cost over the plan benefit amounts. Benefits will be paid for glasses or contact lenses but not both each 12 months.

PREMIUM INFORMATION

You can purchase vision coverage for yourself and your eligible dependents by choosing from any one of the following coverage categories. Premium rates are effective until December 31, 2003.

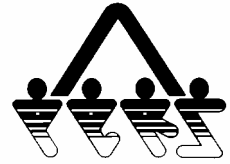
Monthly Premium

Retiree only	\$ 4.96
Retiree & spouse	\$ 9.92
Retiree & child(ren)	\$ 9.04
Family (retiree, spouse & children)	\$14.00

COVERAGE QUESTIONS ?

Please contact Ameritas, plan administrator, at 1-800-255-4931

RETIREE LONG TERM CARE COVERAGE



NEW COVERAGE

The Long Term Care plan is available to retired employees that are receiving a retirement benefit from North Dakota Public Employees Retirement System (NDPERS), TIAA-CREF, ND Teachers Fund For Retirement (TFFR), or the Job Service Retirement Plan.

You and/or your spouse may enroll at any time and must be medically underwritten. Coverage is effective the first day of the month following approval by UNUM. The [Long-Term Care enrollment kit](#) includes a description of the benefits and the premium information.

Long Term Care (LTC) insurance pays benefits based on your ability to function independently as defined by six Activities of Daily Living (ADLs). The ADLs used to measure your ability to function independently are bathing, dressing, toileting, transferring, continence, and eating. If you lose the functional capacity or require standby assistance to perform any two of the six ADLs, UNUM considers you to have lost the ability. The plan also pays benefits for long-term care needs that result from cognitive impairment that results from advanced age, Alzheimer's disease, or similar forms of irreversible dementia.

The plan offers additional optional features that give you the freedom to design your LTC plan. The "Paid-Up" feature provides protection should you stop paying premiums for any reason. The "Inflation Protection" feature protects your LTC benefit from the impact of inflation. Your premium amount will be based on your age at the time you apply for coverage, the level of coverage you select, and your lifetime maximum benefit amount.

PORTABLE COVERAGE

If you participate in the UNUM Long-Term Care plan, you may elect portable coverage. This means that the same coverage you had under this plan can continue on a direct billing basis.

Any election for portable coverage **MUST** be made within 31 days of the date the group coverage would otherwise end by completing the [UNUM's Election for Portable Coverage](#).

Any premium that applies must be paid directly to Unum by you for any portable coverage to be continued.

Please refer to your [Certificate of Insurance](#) for details.

COVERAGE QUESTIONS?

Please contact UNUM, plan administrator, at 1-800-227-4165.



TERMINATION OF EMPLOYMENT

MEDICAL SPENDING REIMBURSEMENT ACCOUNT

If you retire or terminate employment during the Plan Year, you will be offered COBRA continuation coverage through the end of the Plan year on December 31. You will have sixty (60) days from the date the notice of your right to continue coverage is provided by NDPERS to elect continuation coverage, complete the [Continuation of Coverage in Medical Spending Account \(COBRA\) SFN 53512](#). Unless you select COBRA, your coverage will end on the last day of the month in which you terminate your employment.

The remaining program contribution payments will be charged to you in equal payments through the end of the Plan Year at 102%. Any program contribution payment amount in excess of 100% of the cost of providing coverage shall not be credited to the participant's account but shall be treated as an administrative charge.

If continuation coverage is elected, coverage will be extended to the end of the current Plan Year but may terminate sooner if the premiums described above are not paid within 30 days of their due date which is the 1st of every month.

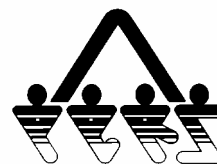
If participation terminated due to a separation of service and you return to state employment within 30 days in the same Plan Year, then your election will be reinstated as it was immediately prior to the separation of service. If you return to state employment after 30 days in the same Plan Year, you may make a new election for the remainder of the Plan Year, provided you complete a new enrollment application within 60 days of your date of hire. You will not be reimbursed from your Medical Spending or Dependent Care Reimbursement accounts for expenses incurred during the separation from service.

DEPENDENT CARE REIMBURSEMENT ACCOUNT

If you terminate employment, your contributions will cease and payroll deductions will stop after the last day of the month in which you terminate. You may continue to file claims for qualifying expenses incurred during the Plan Year until you have been reimbursed the balance in your account at the time of your termination.

The final day for accepting claims for the Plan Year from either your Medical Spending or Dependent Care Reimbursement account for services received while you were a participant is three months after the Plan Year ends on December 31 or March 31.

DEFERRED COMP TERMINATION NOTICE

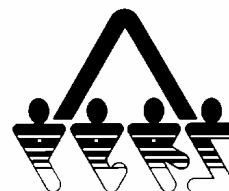


Upon termination of employment, your North Dakota Section 457 Deferred Compensation Plan becomes available for distribution.

You may elect to begin distribution immediately, regardless of your age, or you may defer payments to a future date. You also have the option to do a direct rollover to an eligible 401(a), 403(b), IRA or another qualified plan that accepts eligible rollover distributions. If you elect a lump sum distribution, you will be subject to a 20% Federal income tax withholding requirement. If you do a direct rollover, taxes are not due until you begin distribution of your account.

Please consult with your investment Provider representative for assistance in selecting a payment option or if you have any questions regarding your tax liability or withdrawal penalties.

QUICK REFERENCE - RATE CHART



Health Insurance Rates:

If you are enrolled in the Dakota Plan as an active employee and are continuing coverage as a retiree, there will be no lapse in coverage. The following premiums will apply through June 30, 2005:

LEVEL	SINGLE RATE	FAMILY RATE
COBRA	\$234.71	\$579.08
Non-Medicare	\$351.24	\$702.47
Non-Medicare (Family with 3 or more)	N/A	\$878.09
1 Medicare* & 1 Non-Medicare	N/A	\$522.72
Medicare Eligible*	\$212.24	\$415.18

***Must have both Medicare parts A & B**

Effective July 1, 2003--If you are not enrolled in the Dakota Plan as an active employee, or if you were but have let your coverage lapse, the following premiums will apply:

LEVEL	SINGLE RATE	FAMILY RATE
Non-Medicare	\$351.24	\$702.47
Non-Medicare (Family with 3 or more)	N/A	\$878.09
1 Medicare*/1 Non-Medicare	N/A	\$508.10
Medicare Eligible*	\$205.54	\$403.30

***Must have both Medicare parts A & B**

Life Insurance Rate:

[Rates](#)

Dental Rates:

The following premiums apply 1/1/03 – 12/31/03

LEVEL	RETIREE RATE	COBRA RATE
Individual Only	\$27.72	\$28.27
Individual & Spouse	\$53.40	\$54.47
Individual & Child(ren)	\$62.16	\$63.40
Family	\$87.84	\$89.60

Vision Rates:

The following premiums apply 1/1/03 – 12/31/03

LEVEL	RETIREE RATE	COBRA RATE
Individual Only	\$4.96	\$5.06
Individual & Spouse	\$9.92	\$10.12
Individual & Child(ren)	\$9.04	\$9.22
Family	\$14.00	\$14.28

Income Taxes:

FEDERAL	<i>North Dakota Tax</i>
Federal Tax Tables	21% of Federal Withholding

Estimated Benefit Payment Worksheet



FOR MEMBER USE ONLY – DO NOT RETURN TO NDPERS

GROSS PENSION AMOUNT: \$ _____

LESS DEDUCTIONS:

HEALTH INSURANCE: \$ _____

LIFE INSURANCE: \$ _____

DENTAL INSURANCE: \$ _____

VISION INSURANCE: \$ _____

FEDERAL INCOME TAX: \$ _____

ND STATE INCOME TAX: \$ _____

NET PENSION AMOUNT: =====